



Disability Benefits

If you become ill or injured, TRS can help. Nonoccupational and occupational disability benefits are available to you when you are unable to work.

If you are receiving nonoccupational or occupational disability benefits, or a disability retirement annuity, you may be gainfully employed within certain limits.

“Gainful” employment is defined as employment that results in gross compensation for personal services, including fees, wages, salary and commissions, which exceeds \$833 per month or \$10,000 per year.

You do not need to resign to become eligible for non-occupational or occupational disability benefits. You continue to accrue service credit while you are receiving these two types of disability benefits; however, no service credit is earned while you are receiving a disability retirement annuity.

Any disability benefit or retirement annuity payments may be electronically deposited into your bank account through direct deposit. For more information, see “Direct Deposit” under “Applying for and Receiving Retirement Benefits” on page 27.

Nonoccupational disability benefits

Eligibility

If you are a full-time teacher, you must have three years of service credit, have become disabled while teaching (or within 90 days of teaching), and use all accumulated sick time to qualify for nonoccupational disability benefits. You may be disqualified from receiving disability benefits while you are receiving unemployment benefits.

If you are a part-time or substitute teacher, you are eligible for disability benefits if you have three years of service credit and have worked as a teacher for at least 340 hours in either the school year in which the disability occurs or the preceding school year. Your disability must have occurred within 90 days of your last day of teaching.

Service credit under the State Employees’ Retirement System of Illinois, the State Universities Retirement System, and the Illinois Municipal Retirement Fund count toward your eligibility for a disability benefit and the total period during which the disability benefit is payable unless such service is concurrent with your TRS service.

Application procedures

Approximately three weeks before your accumulated sick leave expires, you must notify us in writing and request a disability application packet. Your request should include your name, Social Security number, date, and type of disability. Forms must be completed by you, your employer, and two state-licensed physicians (one physician in cases of pregnancy). The physicians’ reports must be based on examinations that occurred within 90 days of your application.

Effective date

You may begin receiving nonoccupational disability benefits and service credit on the *later* of:

- ★ the 31st calendar day that you have been absent from work due to the disability;
- ★ the day following the last day for which salary (including sick leave pay) is payable, whether or not these days are actually paid; or
- ★ the date we receive written notification of the disability if more than 90 days have elapsed from the later of:
 - the day the disability began;
 - the last day for which salary (including sick leave pay) is payable, whether or not these days are actually paid; or

- ★ the date we receive all required documentation if the receipt of the documentation is more than six months after the date we receive written notification.

When you are employed under an agreement for fewer than 12 full months, neither the 31-day requirement nor the sick leave utilization requirement is satisfied during periods that are not covered by the agreement (typically the summer months).

Benefit amount

Your nonoccupational disability benefit is equal to 40 percent of the *greater* of the contract rate in effect at the time the benefit becomes payable or the contract rate on the date your disability began. If you are a noncontractual teacher, we use an annualized salary rate based on your actual earnings to determine your benefit.

On January 1 following the fourth anniversary of the effective date of your disability benefit, your monthly benefit will increase 7 percent. Thereafter, your benefit increases by 3 percent of the current benefit each January 1.

Duration of benefits

Nonoccupational benefits cease if you:

- ★ resume teaching (new law allows limited, part-time teaching; see page 36);
- ★ engage in or are able to engage in gainful employment;
- ★ are no longer disabled;
- ★ have received benefits for a period equal to one-fourth of your service credit;
- ★ request termination of the benefit; or
- ★ become eligible and apply for a disability or age retirement annuity.

If a disability benefit is discontinued because you resume teaching in a non TRS-covered position or are otherwise gainfully employed and you are disabled again due to the same cause within 90 days, the benefit will resume at the previous rate once we receive written notification and verification of your disability and you are no longer receiving salary.

You may be eligible to transfer from a nonoccupational disability benefit to a disability retirement annuity or an age retirement annuity. The effective date of the retirement annuity is the first day of the month after we receive your disability retirement annuity application form or age retirement annuity application form. Please refer to the eligibility requirements on the following page and “Retirement Benefits” on page 21.

Occupational disability benefits

Eligibility

No minimum service requirement must be met before you are eligible to receive occupational disability benefits. However, you must be working in a TRS-covered position and have been disabled due to a duty-related injury or illness as determined by the Illinois Industrial Commission or your employer’s workers’ compensation insurance carrier to be eligible for this benefit. If you are a part-time or substitute teacher, you are also eligible for occupational disability benefits.

Application procedures

To receive a benefit, notify us in writing that you are seeking an occupational disability benefit and request a disability application packet. We will require verification that the disability was duty-related from you, your employer, and two state-licensed physicians. Each physician’s report must be based on an examination that occurred within 90 days of your application. In addition, we must receive a copy of the adjudication by the Illinois Industrial Commission or the award by the insurance carrier with which your employer has a workers’ compensation policy with a finding that the disability was employment-related.

Effective date

Occupational disability benefits begin the *later* of the date:

- ★ following the last day for which salary is paid or
- ★ we receive written notification of the disability if more than 90 days have elapsed from the later of:
 - the day the disability began, or
 - the last day for which salary was paid,
- ★ the date we receive all required documentation if the receipt of the documentation is more than six months after the date we receive written notification.

Benefit amount

Your occupational disability benefit is equal to 60 percent of the *greater* of the contract rate in effect at the time the benefit becomes payable or the contract rate on the date your disability began. This benefit is reduced by any amounts you receive under workers’ compensation. Once workers’ compensation benefits expire, we will pay the full 60 percent if you remain eligible for the benefit.

On January 1 following the fourth anniversary of the effective date of your disability benefit, your monthly benefit will increase by 7 percent. Thereafter, your benefit increases by 3 percent of the current benefit each January 1.

Duration of benefits

Occupational disability benefits cease when you:

- ★ resume teaching (new law allows limited, part-time teaching; see page 36);
- ★ engage in or are able to engage in gainful employment;
- ★ are no longer disabled;
- ★ request termination of the benefit; or
- ★ become eligible and apply for an age retirement annuity.

If the disability benefit is discontinued because you resume teaching in a non TRS-covered position or are otherwise gainfully employed and you are disabled again due to the same cause within 90 days, the benefit will resume at the previous rate once we receive written notification and verification of your disability and you are no longer receiving salary.

You may be eligible to transfer from an occupational disability benefit to an age retirement annuity if you meet age and service credit requirements. The effective date of the retirement annuity is the first day of the month after we receive your age retirement annuity application form. (See “Retirement Benefits,” page 21, for the eligibility requirements for an age retirement annuity.)

You may choose to take a nonoccupational benefit even if you have an employment-related disability. This election cannot be changed at a later date.

Disability retirement annuity

Eligibility

If you remain disabled after the nonoccupational disability benefit eligibility period has expired, you are eligible for either a disability retirement annuity or an age retirement annuity (if you meet the age and service credit requirements). You may switch to either a disability retirement annuity or an age retirement annuity (if you meet the requirements) at any time while you are receiving a nonoccupational disability benefit. (See “Retirement Benefits,” page 21, for information about an age retirement annuity.)

Application procedures

When the eligibility period for nonoccupational disability benefits is due to expire, we will notify you. Before the benefit expires, you may either send us a letter or call us to request a transfer to a disability retirement annuity or an age retirement annuity.

Effective date

The disability retirement annuity is effective:

- ★ the day following the last day for which disability benefits are payable or
- ★ the first of the month after we receive your completed disability retirement annuity application form.

Benefit amount

Your disability retirement annuity is the *greater* of:

- ★ 35 percent of the greater of your last annual contract salary or your annual contract rate on the date your disability began (we use an annualized salary rate based on actual earnings for noncontractual teachers);
- ★ the amount computed by the retirement formula reduced by 0.50 percent for each month you are under age 60 with less than 20 years of service credit; or
- ★ the amount computed by the retirement formula reduced by the 0.50 percent for each month you are under age 55 with 20 years of service credit; or
- ★ the amount computed by the retirement formula with no reduction if you are age 55 or older with at least 20 years of service credit.

Your initial benefit will be increased by the amount of any annual increases that you have been granted while you were receiving a nonoccupational disability benefit.

Duration of benefits

The disability retirement annuity will continue until:

- ★ your disability ceases or
- ★ you resume teaching (new law allows limited, part-time teaching; see page 36); or
- ★ you are eligible and apply for an age retirement annuity.

If you resume teaching in a non TRS-covered position after receiving a disability retirement annuity and are disabled again for the same cause within 90 days, the benefit will be reinstated at

the previous rate after we receive your completed disability benefit application form and required medical documentation. In this case, benefits will begin the day following the last day for which you are paid by your employer.

Employment restrictions

While you are receiving a disability retirement annuity, you may not be employed by any other public or private school, college, or university in a teaching position, including subbing and tutoring.

However, gainful employment in any area other than teaching is permitted or by a TRS-covered employer as indicated under “New law allows limited, part-time teaching.” The combined income from the disability retirement annuity and the earnings from the nonteaching occupation cannot exceed the salary rate upon which the annuity was based. If you have earnings above this limit, your disability retirement annuity may be reduced or suspended.

For those returning to employment in any area other than teaching, the salary rate for purposes of this calculation will increase 15 percent after you have received a disability retirement annuity for 10 years.

If you exceed the salary rate upon which your benefit was based, your benefit will cease including Teachers’ Retirement Insurance Program (TRIP) insurance.

Annual increases

Your disability retirement annuity will increase annually beginning the January 1 following the fourth anniversary of the date you were granted a disability benefit.

If the first annual increase follows the fourth anniversary of the date you were granted a disability benefit, the increase will be 7 percent of the current annuity.

After the initial increase, your annuity will increase by 3 percent of the current benefit each January 1.

New law allows limited, part-time teaching

On August 10, 2005, Governor Blagojevich signed Public Act 94-0539 into law. This legislation allows individuals who have received TRS disability benefits for one year or more to return to teaching if their medical conditions improve, allowing part-time work. This legislation allows you on a limited basis to tutor, substitute, or part-time teach for a TRS-covered employer without loss of your disability benefit as long as your combined earnings from your teaching and your disability benefit do not exceed 100 percent of the salary rate upon which the benefit was based.

For those returning to teaching with a TRS-covered employer, the salary rate for purposes of this calculation will **not** increase 15 percent after you have received a disability retirement annuity for 10 years.

If you exceed the salary rate upon which your benefit was based, your benefit will cease including Teachers’ Retirement Insurance Program (TRIP) insurance.

You may not teach for any employers not covered by the Teachers’ Retirement System. This includes tutoring and substitute work.

This law applies to all members receiving nonoccupational disability benefits, occupational disability benefits, and disability retirement annuities.

Medical examinations

To substantiate your continued eligibility for any type of disability benefits, we may require additional medical examinations and request medical and other records. The frequency of re-examination is governed by individual circumstances; however, you must have medical examinations at least once a year while you are receiving nonoccupational or occupational disability benefits. If you are receiving a disability retirement annuity, periodic medical examinations may be required. If you do not submit to medical examinations or provide the necessary information, your benefits will be suspended.